

canceled game, according to the U.S. Conference of Mayors. This means that the strike has already cost our economy some \$2 billion. We must not forget that it isn't just the owners and players who are losing money in this dispute—we are all losing, one way or another.

The many bills that have been introduced demonstrate the wide ideological and geographic extent of the interest in dealing with the baseball crisis. But the complete or partial repeal of the antitrust exemption is too simplistic an answer and will not get to the nub of the problem, which is to protect fans, taxpayers, and communities. My proposal offers a broader alternative. Under my bill, we will have the equivalent of compulsory arbitration to resolve the short-term problems and get major league baseball on the fields once again, followed by an in-depth study of how we can best organize baseball at all levels under conditions that provide future stability for all concerned: players, owners, fans, communities and taxpayers throughout the United States.

I think this is good legislation and sound public policy. I do not expect baseball owners to support my proposal; I do not expect major league players to support it; but I do hope that fans and taxpayers across America will support it, for it is the only proposal designed first and foremost for baseball fans and taxpayers. I urge the Congress to consider this legislation at the earliest opportunity.

BOYS CHOIR OF HARLEM: DOING IT RIGHT FOR 25 YEARS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 30, 1995

Mr. RANGEL. Mr. Speaker, I would like to bring to your attention and to the attention of my colleagues here in the House, a group of young men who have been doing it right for the past 25 years.

An outstanding article which appeared in the Daily News, December 11, 1994, speaks of the choir's humble beginnings to the celebrated musical success they take pride in today.

Please enjoy.

QUITE A CHOIR

(By Sharline Chiang)

"Guys, it's pianissimo," the burly choir director bellowed. Then, clapping twice, he ordered: "Don't half do it. It must be right!"

Doing it right. That's what the Boys Choir of Harlem has been specializing in for the past 25 years.

It hasn't always been easy.

"It's been a long process of convincing people—classical purists—that we were real," said Walter Turnbull, choir founder and director.

Evidence of real musicianship and diversity can be found on the choir's first solo album, "The Sound of Hope," which celebrates the group's silver anniversary.

The album, released in October by EastWest Records America, offers everything from pop and R&B to jazz and gospel.

In 25 years, the choir has been turned from a group of rambunctious boys in the basement of Ephesus Church in Central Harlem to a major international attraction.

In 1987, the Choir Academy of Harlem, a satellite of Community School District 5, was born. Today, the academy teaches youngsters ages 8 to 18 and offers a Regents high school program.

More than a year ago the academy moved from a smaller building in Harlem to its first permanent home—the former Intermediate School 201 building at Madison Ave. and 127th St.

Aside from proving itself to critics, keeping the school financially stable through the years has been a challenge, Turnbull said.

Performances for royalty and Presidents alone don't cover the costs of tutors, pianos and more than 100 worldwide tours each year. Ticket revenues cover only half its \$2.7 million budget.

Despite generous patrons, cutbacks in city and corporate funding have made some tours impossible.

Nevertheless, as funding shrinks, the number of young people who audition continues to grow. Last year 2,000 hopefuls tried out for 200 seats in music, dance and drama.

The school's population also is growing. Six years ago the choir reinstituted its program for girls. Now the choir consists of 300 students.

The 35 to 40 boys who make up the touring choir are chosen from the 150-member concert choir on a rotating basis.

Although more than 90% of the students go on to college, Turnbull said, not everyone reaches graduation day. He loses some students to the lure of the streets.

"It's hard," the director said. "Some you can't reach."

But for many, like 12-year-old Nilelijah Scott, the Boys Choir of Harlem is a sanctuary, a place to get into music and off the streets.

"Instead of hanging out with friends and getting into trouble, I just come here after school and go to rehearsal," said Scott, a two-year veteran soprano and an aspiring accountant. "When you graduate from here, you gain a sense of self-esteem."

Osman Armstrong, 14, sings first alto. A choir member since age 9, his favorite song in the program is Haydn's "Te Deum."

"My mother loves it that I'm here because I get to travel," said Armstrong. "And I'm getting away from the city."

Some graduates, like William Byrd, return.

A Boys Choir assistant conductor and music theory teacher, Byrd, 26, graduated in 1986. After earning his computer science degree from Hunter College next spring, Byrd hopes to attend Westminster Choir College in Princeton, N.J.

"The school helped me home in on my ambitions and skills," Byrd said, "to become my own person."

Looking ahead, Turnbull dreams of helping others set up similar choir schools in major U.S. cities. Music teachers from Houston and Detroit have expressed interest.

But for now, creating an endowment through fund-raising and corporate projects is the Boys Choir's main goal, Turnbull said.

He said an endowment will allow the Boys Choir of Harlem to celebrate the tradition of "doing it right" for another 25 years.

"It's not just about the choir, it's about discipline," he said. "It's about feeling good about yourself—that's hope."

PROPOSING A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

SPEECH OF

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 27, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States:

Mr. MANZULLO. Mr. Chairman, a balanced budget is the best way to ensure the future economic prosperity of the United States. It is a long-term solution to a long-term problem. Congress, over the past 40 years, has been full of big spenders who couldn't restrain their proclivity to spend. A balanced budget limits the powers of Government and brings stability to the budget-making process.

Deficits are not a short-term trend. The Federal Government has run a deficit for 56 of the last 64 years, and the last 24 years in a row. Congress has tried to change its free-spending ways, but countless budget deals have done very little. In the 1920's, Federal spending as a percentage of GNP was 3 percent; in 1940 it was 10 percent; and in 1992 it was 22.4 percent. Eliminating the deficit is one of the most urgent priorities facing the country. We can't begin to tackle our near \$5 trillion national debt until the Federal budget runs a surplus. And unless we begin to repay our debt soon, this country will be headed for a deep and prolonged economic crisis.

When it comes to balancing the budget, the deficit is a convenient target for election year attacks. But when it comes to getting re-elected, deficit spending is the key. Why? First, intense pressure for spending tends to override a generalized preference for fiscal restraint and balanced budgets. In the short run, deficit spending is the most painless political option and the path of least resistance. In other words, wasteful spending has a curious appeal to deficit-hostile constituents when it is in their own district. Second, intense pressure for spending tends to override the general, diffused targets of most tax increases. Tax increases are purposely spread out enough so they don't spark a Boston tea party. For Congress, it's easy to tax and easier to spend, making it almost impossible to balance the budget.

Mr. Chairman, a long-term, structural response is needed to reverse a long-term, structural problem. The solution is a balanced budget amendment to the Constitution. I don't take this step lightly, but it's one that Thomas Jefferson endorsed. An amendment reestablishes a level playing field, forcing Congress to place higher priority on balancing the budget rather than spending and taxing. It restores the Constitution's goal of limited government.

Some critics of this legislation contend that it will unfairly impact Social Security. Nothing could be further from the truth. These critics say that Social Security is not part of the deficit problem. I agree completely. Social Security is soundly financed and runs a surplus

every year. However, a constitutional amendment to require a balanced budget does not change Social Security in any way.

Current laws on the books that protect Social Security would not be changed by the amendment. For example, Social Security is exempt from across-the-board budget cuts. The trust fund is already excluded from deficit calculations. The amendment does not change those laws in any way.

Taking Social Security and other worthy problems off-budget under the amendment would open up a loophole to evade the intent of the proposal. It would set a precedent for other Government programs to simply by shifting enough Government programs into off-budget accounts. This would only make matters worse. I'm sure you wouldn't do this with your own check book. That's why I don't want to make an exception for the Government.

In fact, a constitutional amendment to the Constitution requiring a balanced budget is critical to the long-term health of Social Security, forcing Congress to bring the deficit to zero so future politicians will not be tempted to cover our Nation's huge debt with the Social Security surplus set aside for the baby-boomer generation.

Mr. Chairman, since I took office, I have had the courage to consistently vote against wasteful spending over 300 times to cut \$175 billion. Unfortunately, most of Congress did not agree. If we do not respond to our long-term problem with a long-term solution, large Federal deficits and low private saving will lead to increasingly costly and precarious dependence on foreign capital, and less investment to modernize and expand the economy. All this will result in smaller gains in productivity and a lower standard of living for our children and grandchildren. Mr. Chairman, Congress must vote for the balanced budget amendment to save future generations from this unconscionable economic burden.

INTRODUCTION OF LEGISLATION TO CONVEY SURPLUS REAL PROPERTY BY SALE AT THE FORT ORD MILITARY COMPLEX

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 30, 1995

Mr. FARR. Mr. Speaker, today I am introducing important legislation to convey surplus real property at the former Fort Ord Army reservation, by sale to the city of Seaside, CA. This legislation would, among other things, help implement the 1993 recommendation of the Defense Base Closure and Realignment Commission. In the Commission's 1993 report to the President, the Commission made specific recommendations for parcels of property to be disposed of by the Department of the Army, while recognizing the unique needs for supporting the military personnel remaining on the Monterey Peninsula. Specifically, the Commission directed the Department to dispose of all property, including the golf courses, not required to support the Presidio of Monterey and the Naval Postgraduate School. Accordingly, in 1993, the Acting Secretary of the Army decided to sell the two Fort Ord golf courses to the city of Seaside, CA.

Unfortunately, the Defense Base Closure and Realignment Act does not permit the Commission to take into account the nonappropriated fund revenue needs which are supported by the golf course revenues. Accordingly, this legislation would address that need by allowing funds received by the Army for the sale of the golf courses to be deposited into the Army morale, welfare, and recreation account.

The sale of the two Fort Ord golf courses to the city of Seaside is in accord with the Fort Ord preferred reuse alternative prepared by the federally recognized local redevelopment authority, the Fort Ord Reuse Authority [FORA]. As such, the Seaside purchase of the two Fort Ord golf courses will implement the community redevelopment plan as endorsed by S.B. 899, the State of California legislation creating the Fort Ord Reuse Authority.

The legislation conveys approximately 477 acres, which consists of the two Fort Ord golf courses, Black Horse and Bayonet, and the surplus Hayes housing facilities which have been excessed and appropriately screened according to the Pryor process. The city of Seaside will be required to pay fair market value for the property. The legislation directs the proceeds from the sale of the golf courses to be deposited in the Department of the Army morale, welfare and recreation fund, and the proceeds from the sale of the housing into the DOD BRAC account.

In the 103d Congress I authored legislation to convey certain surplus real property at Fort Ord to the California State University, and the University of California, the centerpieces of the community revitalization strategy. The legislation I am introducing today is another step in the community development reuse plan which is now falling into place. A single local governing entity has been formed, the 21st campus of the California State University is about to open, the BLM land at Fort Ord is being cleaned up by AmeriCorps participants, and the University of California's Science, Technology, Education, Policy Center is attracting investors.

My legislation will move the process forward again by assisting the Army in divesting itself of the golf courses vis-a-vis the 1993 BRAC recommendation, at the same time it helps foster economic development in the city of Seaside, which has been adversely impacted by the closure of Fort Ord.

FIRST-TIME HOMEBUYER AFFORDABILITY ACT

HON. BILL ORTON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, January 30, 1995

Mr. ORTON. Mr. Speaker, today I am re-introducing my First-time Homebuyer Affordability Act of 1995. I would like to take this opportunity to explain the need for this legislation and to summarize its provisions.

Study after study has demonstrated that the most significant barrier to home ownership in this country is the high level of downpayment generally required to secure approval of a mortgage loan. Yet, because of our current tax laws, the \$850 billion currently invested in indi-

vidual retirement accounts [IRA's] is effectively precluded from being used for such downpayment purposes, either directly by a homebuyer or through a parental loan. I believe we must change our IRA tax laws to dynamically open up these funds to promote home ownership.

The First-time Homebuyer Affordability Act accomplishes this objective. It is substantially identical to legislation I introduced in both the 102d and 103d Congress. Last year's bill, H.R. 1149, was a bipartisan effort, with 28 cosponsors, about equally split between Republicans and Democrats. H.R. 1149 was formally endorsed last year by both the National Association of Home Builders and the Mortgage Bankers Association of America.

First, let me explain the need for this legislation. Current IRA statutes prohibit an IRA account holder from engaging in a number of prohibited transactions, including loans to family members and use of one's own IRA funds for personal use. If anyone uses IRA funds for a prohibited transaction, the penalties are severe. The money that is used is subjected to full Federal and State income taxes. In addition, a 10-percent premature withdrawal or distribution penalty is assessed on the amount withdrawn. Combined, an IRA account holder may be forced to pay over 50 percent of the amount withdrawn in taxes and penalties. The result is that under current law, individuals are effectively precluded from using IRA funds to make a downpayment to buy a home.

My legislation overcomes this barrier by providing a targeted exemption from prohibited transaction rules to allow individuals to access IRA accounts to make a downpayment on a first-time home purchase. By structuring the use of funds as an economic transaction entered into by a self-directed IRA account, the tax and premature withdrawal penalties are avoided—resulting in a substantial savings to the homebuyer. By eliminating barriers to the use of IRA funds, this change would have a significant impact in increasing homeownership. Finally, this approach is prosavings. By structuring use of IRA funds as an economic transaction within an IRA, the moneys used to buy a home are eventually restored to the IRA, available for continued tax-deferred reinvestment.

Specifically, my bill: One, permits individuals to borrow money from their own IRA account to make all or part of a downpayment for a first-time home purchase of a primary residence. This is similar to loans permitted from one's 401(k) account; two, permits parents to lend money within their IRA account to their children for use as a downpayment on a first-time home purchase of a primary residence, and three, permits the transactions permitted in one and two above to be structured as an equity investment; that is, a home equity participation agreement.

IRA account holders are currently permitted to invest in a Ginnie Mae mutual fund, which consists of thousands and thousands of single family mortgages—on other people's homes. However, IRA funds may not be used to pay for or finance your own home, nor for the home of a family member. In other words, your IRA account can be used for the purchase of any home in the country except your own home or the home of a family member.